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March 21, 2025

#### BY RESS AND EMAIL

Nancy Marconi Registrar Ontario Energy Board 2300 Yonge Street, Suite 2700 Toronto, ON M4P 1E4

Dear Nancy Marconi:

#### Re: Enbridge Gas Inc. (Enbridge Gas) Ontario Energy Board (OEB) File: EB-2024-0322 Kimball-Colinville and Bickford Maximum Operating Pressure (MOP) Increase Project Interrogatory Responses

In accordance with the OEB's Procedural Order No.1 dated February 28, 2025, enclosed please find Enbridge Gas's interrogatory responses for the Kimball-Colinville and Bickford Maximum Operating Pressure (MOP) Increase Project.

If you have any questions, please contact the undersigned.

Sincerely,

Evan Tomek

Evan Tomek Senior Advisor, Regulatory Applications – Leave to Construct

Cc: Henry Ren (Enbridge Gas Counsel) Zora Crnojacki (OEB Case Manager) James Sidlofsky (OEB Counsel)

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# ENBRIDGE GAS INC.

# Answer to Interrogatory from OEB STAFF (STAFF)

#### Interrogatory

## Reference:

Exhibit B, Tab 1, Schedule 1, paragraph 2, page 1; Exhibit C, Tab 1, Schedule 1, paragraph 3, page 1; Exhibit H – Risk Assessment, Tab 1, Schedule 1 pages 1-3; Exhibit I, Tab 1, Schedule 1: Ministry of Natural Resources Requirements, with Attachments 3 and 4.

### Preamble:

Enbridge Gas applied for approval to increase maximum operating pressure (MOP) of the Bickford Storage Pool to a maximum pressure gradient of 17.64 kPa/m (0.78 psi/ft) during the 2025 injection season and increase MOP in the Kimball-Colinville Storage Pool to a maximum pressure gradient of 16.625 kPa/m (0.735 psi/ft) during the 2026 injection season. Enbridge Gas submitted that these increases in MOP are permitted under CSA Standard Z341.1-22 Storage of Hydrocarbons in Underground Storage Formations (CSA Z341.1-22).

Enbridge Gas noted that the increases in MOP for both storage pools have to conform to the CSA Z341.1-22 to the satisfaction of the Ministry of Natural Resources (MNR).

Clause 5.6.2 (b) of CSA Z341.1-22 requires that "The maximum operating pressure shall not exceed 80% of the fracture pressure of the caprock formation. In the absence of local fracture pressure data, the maximum pressure shall be not greater than 18.1 kPa per metre of depth to the top of the reservoir."

Enbridge Gas met with the MNR on September 16, 2024 to present the Project to the MNR staff.

On November 26, 2024 Enbridge Gas sent an email to the MNR on November 26, 2024, indicating that the following studies had been conducted for each pool in compliance with CSA Z341.1-22 and to support the application:

• Engineering studies completed by Geofirma Engineering Ltd.

- Assessment of Neighbouring Activities for the storage pools as prescribed by CSA Z341.1-22 Clause 5.2.
- "What If" analysis of hazards and operability (HAZOP) for the storage pools

Enbridge Gas also stated that it sent summaries of the studies to the MNR and that it would make complete studies available in Enbridge Gas's office for the MNR's review.

According to Enbridge Gas, the MNR stated that it would provide its comments on the engineering and geological studies and on Enbridge Gas's compliance with the CSA Z341.1-22 requirements as related to the proposed MOP increases in Bickford Storage Pool and in Kimball-Colinville Storage Pool.

# Question(s):

a) Since filing the application, has Enbridge Gas received any further communication from MNR regarding the review of the studies completed in compliance with CSA 341.1-22?

b) If any communication was received, please indicate whether the MNR stated it is satisfied with the studies and that Enbridge Gas complied with all relevant requirements under CSA Z341.1-22, and related regulations.

c) Please file a copy of any additional correspondence with MNR since the application was filed.

d) If no communication has been received from the MNR regarding the final review and compliance with CSA Z341.1-22, what is the anticipated date of receiving the documentation from the MNR?

## Response:

# a - d)

Enbridge Gas has not received any communication from MNR since filing the application. The MNR, in its Written Submission filed in the EB-2020-0074 proceeding<sup>1</sup>, stated the following in regards to compliance with CSA Z341.1 1-22 and related regulations:

<sup>&</sup>lt;sup>1</sup> EB-2020-0074 MNR Written Submission

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MNRF reminds Enbridge that, as the operator, Enbridge bears the responsibility for ensuring that all safety and environmental issues are addressed to ensure compliance with the Oil, Gas and Salt Resources Act, O. Reg. 245/97 and CSA Z341: Storage of Hydrocarbon in Underground Formations.

The MNR did not intervene in this proceeding and therefore will not be providing final submissions. Consistent with the above-noted past submission from the MNR, Enbridge Gas acknowledges and accepts the responsibility for compliance with all relevant requirements under CSA Z341.1-22, the *Oil, Gas and Salt Resources Act* and related regulations. Enbridge Gas does not anticipate receiving further communication from the MNR in regards to compliance and the engineering and geological studies described in Exhibit I, Tab 1, Schedule 1.

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# ENBRIDGE GAS INC.

# Answer to Interrogatory from OEB STAFF (STAFF)

### Interrogatory

## Reference:

Exhibit A , Tab 2, Schedule 1, paragraph 10, page 4 and Exhibit C, Tab 1, Schedule 1, Proposed Facilities, pages 5-8

### Preamble:

According to Enbridge Gas's application, the project will also include replacements of components of Bickford Station in the Bickford Storage Pool and upgrades to wellheads and well crossovers, installation of emergency shutdown (ESD) valves on injection/withdrawal natural gas storage wells, re-abandonment of one natural gas storage well, replacement of well lateral tees, various natural gas gathering pipeline replacements, and replacements of various components in the Kimball-Colinville Storage Pool.

## Question(s):

a) Please confirm Enbridge Gas is not seeking approval of the pipeline replacements and various facility upgrades in Bickford Storage Pool and in Kimball-Collinville Storage Pool.

b) Please discuss whether (and if so, how) the proposed facility upgrades will benefit Enbridge Gas's in-franchise customers.

#### Response:

- a) Enbridge Gas confirms it is not seeking approval of the pipeline replacements and various facility upgrades in Bickford Storage Pool and in Kimball-Colinville Storage Pool. Please refer to Exhibit A, Tab 2, Schedule 1, paragraphs 10 – 11 (including footnote 3).
- b) The proposed facility upgrades will benefit Enbridge Gas's in-franchise customers because facilities constructed as part of the proposed Project will inherently improve the safety and reliability and extend the life of the facilities. Since Enbridge Gas's

storage facilities are operated as a fully integrated system, the increased reliability benefits both Enbridge Gas's in-franchise customers and unregulated storage services.

The space and deliverability created from the proposed Project will be for the benefit of the unregulated business therefore all of the capital costs will be funded by the unregulated business.

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# ENBRIDGE GAS INC.

# Answer to Interrogatory from OEB STAFF (STAFF)

### Interrogatory

## Reference:

Ref.: Exhibit B, Tab 1, Schedule 1, paragraph 1, page 1

### Preamble:

Enbridge Gas stated that the need for creating additional storage capacity by increasing the MOP is underpinned by growing market demand for incremental storage space and the incremental capacity will be used for unregulated storage services. The project will create an additional 137,200 103m3 of storage capacity, to be sold as part of Enbridge Gas's unregulated storage business. 24,500 10<sup>3</sup>m<sup>3</sup> in the Bickford Storage Pool and 112,700 10<sup>3</sup>m<sup>3</sup> in the Kimball-Colinville Storage Pool

### Question(s):

- a) Please provide the splits of current capacity of the Bickford Storage Pool and Kimball-Colinville Storage Pool between regulated and unregulated storage customers.
- b) Please provide the split of regulated vs unregulated capacity assuming the increase in the MOP is implemented for Kimball-Colinville Storage Pool and for Bickford Storage Pool.
- c) Please describe how Enbridge Gas has determined growing market demand for unregulated storage services that underpins the need to for the additional storage capacity in Kimball-Colinville Storage Pool and Bickford Storage Pool.

## Response:

a) Enbridge Gas does not track regulated and unregulated capacity at the individual storage pool level. In accordance with the OEB's November 29, 2024 Decision on the Settlement Proposal and Interim Rate Order for the EB-2024-0111 proceeding<sup>1</sup>, the

<sup>&</sup>lt;sup>1</sup> EB-2024-0111 Decision on Settlement Proposal and Interim Rate Order, p. 6

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regulated and unregulated allocators are updated on an annual basis based on the split of storage system capacity and deliverability. The current regulated and unregulated allocator for all storage pools owned by Enbridge Gas, including the Bickford and Kimball-Colinville Storage Pools, for 2025 is 62.3% regulated and 37.7% unregulated.

- b) Assuming the proposed Project is approved, the regulated and unregulated allocators is forecasted to be 62.2% regulated and 37.8% unregulated in 2026 and 61.5% regulated and 38.5 % unregulated in 2027<sup>2</sup>. The allocators are updated annually for the overall system of storage pools owned by Enbridge Gas in accordance with the OEB's November 29, 2024 Decision on Settlement Proposal and Interim Rate Order for the EB-2024-0111 proceeding<sup>3</sup>.
- c) For the current storage year, as has been the case historically, Enbridge Gas is fully contracted with respect to storage capacity and deliverability and the demand for unregulated storage exceeds the contracts able to be awarded.

<sup>&</sup>lt;sup>2</sup> The forecasted allocators for 2026 and 2027 include forecasted changes to space and deliverability outside of this Project. The actual allocators for each year will be updated annually in advance of the year. <sup>3</sup> EB-2024-0111 Decision on Settlement Proposal and Interim Rate Order, p. 6